

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

200 W. Washington, Suite 301
Indianapolis, IN 46204
(317) 233-0696
<http://www.in.gov/legislative>

FISCAL IMPACT STATEMENT

LS 6831

BILL NUMBER: SB 274

NOTE PREPARED: Jan 1, 2010

BILL AMENDED:

SUBJECT: Entitlement to certain payments related to injury.

FIRST AUTHOR: Sen. Taylor

FIRST SPONSOR:

BILL STATUS: As Introduced

**FUNDS AFFECTED: X GENERAL
DEDICATED
FEDERAL**

IMPACT: State

Summary of Legislation: This bill specifies that an attorney and a health care provider are entitled to priority in payment for services rendered to an injured person in connection with the person's injury.

Effective Date: July 1, 2010.

Explanation of State Expenditures: The bill could increase administrative expenses for the Department of Insurance (DOI) to the extent that the DOI modifies rules, guidelines, or publications to incorporate the new requirements. Additionally, violators may be subject to a hearing by the Commissioner of Insurance. The bill's requirements are within the DOI's routine administrative functions and should be able to be implemented with no additional appropriations, assuming near customary agency staffing and resource levels.

Explanation of State Revenues: As a result of a hearing, violators may be ordered to cease and desist and the Commissioner may order the payment of a civil penalty of not more than \$25,000 for each violation. If the person knew or reasonably should have known that he or she was in violation, the penalty may not be more than \$50,000 for each violation. All civil penalties imposed and collected are deposited in the state General Fund.

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected: DOI.

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Bernadette Bartlett, 317-232-9586.